

**RULES
OF
TENNESSEE REGULATORY AUTHORITY**

**CHAPTER 1220-4-5
REGULATIONS FOR GAS COMPANIES**

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1220-4-5-.01 AUTHORIZATION OF RULES.

- (1) The Tennessee Regulatory Authority Law provides that the Authority shall have the power to make such reasonable rules as it deems necessary to carry out the provisions of this law and any other law relating to the Authority.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; “Commission” and references to the “Commission” were changed to “Authority” and references to the “Authority”; effective March 28, 2003.

1220-4-5-.02 REPEALED.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974. Repeal by Public Chapter 440; effective July 1, 1985.

1220-4-5-.03 DEFINITIONS.

- (1) The following words and terms, when used in these rules, shall have the meaning indicated below:
- (a) Authority - Means the Tennessee Regulatory Authority of Tennessee.
 - (b) Utility - Means any gas company operating under the jurisdiction of the Authority.
 - (c) Customer - Means any person, firm, association, or corporation, or any agency of the Federal State, or local government, being supplied with gas service by a gas utility.

(Rule 1220-4-5-.03, continued)

- (d) Premises - Means a piece of land or real estate, including buildings and other appurtenances thereon.
- (e) Gas Plant - Means all facilities owned by a gas utility for the production, storage, transmission, and distribution of gas.
- (f) Main - Means a gas pipe, owned, operated, or maintained by a utility which is used for the purpose of transmission or distribution of gas, but does not include "service pipe."
- (g) Service Pipe - The pipe that runs between a main or a pipeline and a customer's meter.
- (h) Meter - Without other qualifications, shall mean any device or instrument which is used by a utility in measuring a quantity of gas.
- (i) Check Flow - Means a flow between twenty percent (20%) and fifty percent (50%) of the rated capacity of a meter according to the manufacturer's specifications.
- (j) Full Rated Flow - Means a flow of one hundred percent (100%) of the rated capacity of a meter according to the manufacturer's specifications.
- (k) Cubic Foot - Cubic foot of gas as used in these rules shall have the following meanings.
 - 1. Where gas is supplied and metered to customers at the pressure (as defined in Rule 1220-4-5-.32) normally used for domestic customer's appliances, a cubic foot of gas shall be that quantity of gas which, at the temperature and pressure existing in the meter, occupies one (1) cubic foot.
 - 2. When gas is supplied to customers at other than the pressure in (1.) above, the utility shall specify in its rules the base for measurement of a cubic foot of gas (see Rule 1220-4-6-.06(a)(2)(vi)). Unless otherwise stated, such cubic foot of gas shall be that quantity of gas, which at a temperature of sixty-eight degrees Fahrenheit (68°F) and a pressure of fourteen and seventy-three one hundredths (14.73) pounds per square inch absolute, occupies one (1) cubic foot.
 - 3. The standard cubic foot of gas for testing the gas itself for bearing value shall be that quantity of gas, saturated with water vapor, which at a temperature of sixty degrees Fahrenheit (60°F) and a pressure of thirty (30) inches of mercury occupies one (1) cubic foot. (Temperature of mercury two degrees Fahrenheit (2°F) acceleration due to gravity – thirty-two and seventeen one-hundredths (32.17) ft. per second; density - thirteen and five hundred ninety-five one-thousandths (13.595) grams per cubic centimeter).
- (l) Interruption of Service - Means any unplanned disturbance of the gas supply whereby the pilot flame on the appliances of at least fifty (50) customers shall have been extinguished.
- (m) The abbreviations used, and their meaning, shall be as follows:

BTU	-	British Thermal Unit
LP-Gas	-	Liquefied Petroleum Gas
psig	-	Pounds Per Square Inch, Gauge
W.C.	-	Water Column

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; "Commission" and references to the "Commission" were changed to "Authority" and references to the "Authority"; effective March 28, 2003.

1220-4-5-.04 LOCATION OF RECORDS.

- (1) All records required by these rules or necessary for the administration thereof, shall be kept within this State, unless otherwise authorized by the Authority. These records shall be available for examination by the Authority or its authorized representatives at all reasonable hours.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; “Commission” and references to the “Commission” were changed to “Authority” and references to the “Authority”; effective March 28, 2003.

1220-4-5-.05 RETENTION OF RECORDS.

- (1) Unless otherwise specified by the Authority, all records required by these rules shall be preserved for the period of time specified in the current edition of the National Association of Railroad and Utilities Commissioners’ publication “Regulations to Govern the Presentation of Records of Electric, Gas and Water Utilities.”

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; “Commission” and references to the “Commission” were changed to “Authority” and references to the “Authority”; effective March 28, 2003.

1220-4-5-.06 DATA TO BE FILED WITH THE AUTHORITY.

- (1) The utility shall file with the Authority the following documents and information, and shall maintain such documents and information in a current status.
 - (a) A copy of the utility’s tariff, which shall include:
 1. A copy of each schedule of rates for service, together with the applicable riders.
 2. A copy of the utility’s rules or terms and conditions, describing the utility’s policies and practices in rendering service. These rules shall include:
 - (i) The standard total heating value of the gas in BTUs per cubic foot. If necessary, this may be listed by district, division, or community.
 - (ii) The list of the items which the utility furnishes, owns, and maintains on the customer’s premises, such as service pipe, meters, regulators, vents, and shut-off valves.
 - (iii) General statement indicating the extent to which the utility will provide free service in the adjustment of customers’ appliances.
 - (iv) General statement of the utility’s policy in making adjustments for wastage of gas when such wastage occurs without the knowledge of the customer.
 - (v) A statement indicating the minimum number of days allowed for payment of the gross amount of the customer’s bill before service will be discontinued for nonpayment
 - (vi) A statement indicating the volumetric measurement base to which all sales of gas at other than standard delivery pressure are corrected (see Rule 1220-4-5-.03 (1)(k)).
 - (vii) The utility’s extension plan as required in Rule 1220-4-5-.12.

(Rule 1220-4-5-.06, continued)

- (b) A copy of each special contract for service.
- (c) A copy of each type of customer bill form.
- (d) A map showing the utility's operating area. This map shall be revised annually unless such revision is unnecessary, in which event the utility shall notify the Authority that the map on file is current. The map should show:
 - 1. Gas production plant.
 - 2. Principal storage holders.
 - 3. Principal mains by size.
 - 4. System metering (supply) points.
 - 5. State boundary crossings.
 - 6. Franchise area.
 - 7. Names of all communities (post offices) served.
- (e) The name, title, address, and telephone number of the person who should be contacted in connection with:
 - 1. General management duties.
 - 2. Customer relations (complaints).
 - 3. Engineering operations.
 - 4. Meter tests and repairs.
 - 5. Emergencies during non-office hours.
- (f) A report of each accident in connection with the operation of the utility's gas plant resulting in death or property damage. Prompt notice of fatal accident shall be given to the Authority by telephone or telegraph.
- (g) A report of major construction programs as follows:
 - 1. A notification of all proposed important additions to plant, the construction of which was started by the utility, during the preceding month. For the purpose of this rule an important addition to plant shall mean a single project involving the expenditure of at least \$100,000, or an amount equivalent to at least ten percent (10%) of the total gas plant in service, whichever is less.
 - 2. A notification of all important additions to plant previously reported under (a) above, the construction of which was completed to the extent that the facility was placed in operation during the preceding month.
 - 3. Such notifications shall be submitted on forms supplied by the Authority.

(Rule 1220-4-5-.06, continued)

- (h) Gas service. The following shall be available on request:
 - 1. The daily and/or the monthly average heating value of the gas in accordance with Rule 1220-4-5-.35.
 - 2. The monthly acquisition and disposition of gas.
 - 3. Interruptions of service occurring during the month. If there were no interruptions, then it should be so stated.
- (i) Conform with all applicable rules and regulations contained in Section IV (General Public Utilities Rules Applicable to all Utilities).

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; “Commission” and references to the “Commission” were changed to “Authority” and references to the “Authority”; effective March 28, 2003.

1220-4-5-.07 DISPOSITION OF GAS.

- (1) All gas sold by a utility shall be on the basis of meter measurement unless otherwise authorized by the Authority.
- (2) Wherever practicable, consumption of gas within the utility itself, or by administrative units associated with it, shall be metered.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974.

1220-4-5-.08 METER READING SHEETS OR CARDS.

- (1) The meter reading sheets or cards shall show:
 - (a) customer’s name, address, and rate schedule;
 - (b) identifying number and/or description of the meter (s);
 - (c) meter readings;
 - (d) if the reading has been estimated;
 - (e) any applicable multiplier or constant.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974.

1220-4-5-.09 METER READING INTERVAL.

- (1) Meters shall be read monthly, except that authority may be obtained from the Authority for reading the meters at other than monthly intervals. As nearly as practicable, utilities shall avoid sending a customer two (2) successive estimated bills.

Authority: T.C.A. §65-2-102. **Administrative History:** Original Rule certified May 9, 1974. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; “Commission” and references to the “Commission” were changed to “Authority” and references to the “Authority”; effective March 28, 2003.

1220-4-5-.10 CONDITION OF METER.

- (1) No meter shall be installed which is mechanically defective, has an incorrect correction factor or has not been tested and adjusted, if necessary, in accordance with Rule 1220-4-5-.27. The capacity of the meter and the index mechanism should be consistent with the gas requirements of the customer.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974.

1220-4-5-.11 TEMPORARY SERVICE.

- (1) When the utility renders temporary service to a customer it may require that the customer bear all the cost of installing and removing the service in excess of any salvage realized.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974.

1220-4-5-.12 EXTENSION PLAN.

- (1) Each utility shall develop a plan, acceptable to the Authority, for the installation of extensions of main and service lines where such facilities are in excess of those included in the regular rates for service and for which the customer shall be required to pay all or part of the cost. This plan must be related to the investment that prudently can be made for the probable revenue.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; “Commission” and references to the “Commission” were changed to “Authority” and references to the “Authority”; effective March 28, 2003.

1220-4-5-.13 CUSTOMER INFORMATION.

- (1) Each utility shall:
 - (a) Maintain up-to-date maps, plans, or records of its entire transmission and distribution systems, with such other information as may be necessary to enable the utility to advise prospective customers, and others entitled to the information, as to the facilities available for serving any locality.
 - (b) Assist the customer or prospective customer in selecting the most economical rate schedule.
 - (c) Notify customers affected by a change in rates or schedule classification. In the case of a general rate change affecting all classes of customers in a community, then notice in the press shall satisfy this requirement.
 - (d) Post a notice in a conspicuous place in each office of the utility where applications for service are received, informing the public that copies of the rate schedules and rules relating to the service of the utility, as filed with the Authority, are available for inspection.
 - (e) Upon request, inform its customers as to the method of reading meters.
 - (f) Furnish such additional information as the customer may request.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; “Commission” and references to the “Commission” were changed to “Authority” and references to the “Authority”; effective March 28, 2003.

1220-4-5-.14 CUSTOMER DEPOSITS.

- (1) Each utility may require from any customer or prospective customer a deposit intended to guarantee payment of bills for service.
 - (a) A deposit shall be at the option of the company not more in amount than the maximum estimated charge for service for two (2) consecutive billing periods or ninety (90) days, whichever is less, or as may reasonably be required by the utility in cases involving service for short periods or special occasions.
 - (b) Any interest rates on deposits will be approved by the Authority.
 - (c) Each utility shall keep records to show:
 1. the name and address of each depositor;
 2. the amount and date of the deposit;
 3. each transaction concerning the deposit.
 - (d) Each utility shall issue a receipt of deposit to each customer from whom a deposit is received, and shall provide means whereby a depositor may establish his/her claim if his/her receipt is lost.
 - (e) The utility may retain the deposit as long as it feels it is necessary to insure payment of bills for service.
 - (f) A record of each unclaimed deposit must be maintained at least three (3) years, during which time the utility shall make a reasonable effort to return the deposit.
 - (g) Unclaimed deposits, together with accrued interest, shall be credited to an appropriate account.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; “Commission” and references to the “Commission” were changed to “Authority” and references to the “Authority”; effective March 28, 2003.

1220-4-5-.15 CUSTOMER BILL FORMS.

- (1) The utility shall bill each customer as promptly as possible following the reading of his/her meter. The bill shall show:
 - (a) the reading of the meter at the end of the period for which the bill is rendered;
 - (b) the date on which the meter was read at the end of the billing period;
 - (c) the number of units billed;
 - (d) the applicable rate schedule, or identification of the applicable rate schedule. If the actual rates are not shown, the bill shall contain a statement to the effect that the applicable rate schedule will be furnished on request;
 - (e) the gross and/or net amount of the bill;
 - (f) the date by which the customer must pay the bill in order to benefit from any discount or to avoid any penalty;

- (g) a distinct marking to identify an estimated bill;
- (h) any conversions from meter reading units to billing units, or any calculations to determine billing units from recording or other devices, or any other factors, such as purchased gas or fuel adjustments, used in determining the bill. In lieu of such information on the bill, a statement must be on the bill advising that such information can be obtained by contacting the utility's principal office.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974.

1220-4-5-.16 CUSTOMER RECORDS.

- (1) The utility shall retain customer billing records for the length of time necessary to permit the utility to comply with Rule 1220-4-5-.17 but not less than three (3) years.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974.

1220-4-5-.17 ADJUSTMENT OF BILLS.

- (1) Bills which are incorrect due to meter or billing errors are to be adjusted as follows:
 - (a) Fast Meter. Whenever a meter in service is tested upon request of customer and found to have over-registered more than two percent (2%), the utility shall recalculate the bills for service, for the period as determined below:
 - 1. The bills for service shall be recalculated from the time at which the error first developed or occurred if that time can be definitely determined.
 - 2. If the time at which the error first developed or occurred cannot be definitely determined, it shall be assumed that the over-registration existed for a period equal to one-half of the time since the meter was last tested but not to exceed six (6) months and the bills for service shall be recalculated for that period.
 - 3. If the recalculated bills indicate that more than one dollar (\$1) is due an existing customer or two dollars (\$2) is due a person no longer a customer of the utility, the full amount of the calculated difference between the amount paid and the recalculated amount shall be refunded to the customer. The refund to an existing customer may be in cash or as credit on a bill. If a refund is due a person no longer a customer of the utility, a notice shall be mailed to the last known address, and the utility shall upon request made within three (3) months thereafter refund the amount due.
 - (b) Non-registering Meters. Whenever a meter in service is found not to register, the utility may render an estimated bill.
 - (c) Slow Meters. Whenever a meter is found to be more than two percent (2%) slow, the utility may bill the customer for the amount the test indicates he/she has been under-charged for the period of inaccuracy, which period shall not exceed the last six (6) months the meter was in service unless otherwise ordered by the Authority. No back billing will be sanctioned if the customer has called to the company's attention his/her doubts as to the meter's accuracy and the company has failed within a reasonable time to check it.
 - (d) Billing adjustments due to fast or slow meters shall be calculated on the basis that the meter should be one hundred percent (100%) accurate. For the purpose of billing adjustments the meter error shall be one-half of the algebraic sum of the error at full-rated flow plus the error at check flow.

(Rule 1220-4-5-.17, continued)

- (e) When a customer has been overcharged as a result of incorrect reading of the meter, incorrect application of the rate schedule, incorrect connection of the meter, or other similar reasons, the amount of the overcharge shall be adjusted, refunded, or credited to the customer.
- (f) When a customer has been undercharged as a result of incorrect reading of the meter, incorrect application of the rate schedule, incorrect connection of the meter or other similar reasons, the amount of the undercharge may be billed to the customer.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; “Commission” and references to the “Commission” were changed to “Authority” and references to the “Authority”; effective March 28, 2003.

1220-4-5-.18 REASONS FOR TERMINATION OF SERVICE OR DENIAL OF SERVICE.

- (1) Service may be refused or discontinued for any of the reasons listed below. Unless otherwise stated, the utility shall comply with the notice requirements before service is discontinued. However, no service shall be discontinued on the day or a date preceding a day or days on which the services of the utility are not available to the general public for the purpose of reconnecting the discontinued service, except as provided in Rule 1220-4-5-.18 (1) (a), (b), (c) and (d).
 - (a) Without notice in the event of a condition determined by the utility to be hazardous.
 - (b) Without notice in the event of customer use of equipment in such a manner as to adversely affect the utility’s equipment or the utility’s service to others.
 - (c) Without notice if there is evidence of tampering with the equipment furnished and owned by the utility.
 - (d) Without notice if there is evidence of unauthorized use.
 - (e) For violation of and/or non-compliance with the utility’s rules on file with and approved by the Authority.
 - (f) For failure of the customer to fulfill his/her contractual obligations for service and/or facilities subject to regulation by the Authority.
 - (g) For failure of the customer to permit the utility reasonable access to its equipment.
 - (h) For non-payment of a delinquent account.
 - (i) For failure of the customer to provide the utility with a deposit as authorized by Rule 1220-4-5-.14.
- (2) Notice of Termination of Service. Gas service to any gas customer may not be terminated without reasonable prior notice and the customer being given reasonable opportunity to dispute the reasons for such termination.
 - (a) Content of the notice which may be included in the customer’s bill, shall be clearly legible and contain the following information:
 - 1. The name and address of the customer and the address of the service, if different.
 - 2. A clear and concise statement of the reason for the proposed termination of service.

(Rule 1220-4-5-.18, continued)

3. The date on which service will be terminated unless the customer takes appropriate action. The date of the proposed termination by the utility shall be at least seven (7) days after the utility sends the notice by first class mail. The mailing of the notice of termination as set forth above, shall constitute reasonable prior notice within the meaning of this rule.
 4. Information concerning the reconnection fee.
 5. The telephone number and address of the utility where the customer may make inquiry, enter into a service continuation agreement or file a complaint.
 6. This notice shall also contain the name and address of the Tennessee Regulatory Authority and a statement to the effect that the Tennessee Regulatory Authority is the regulatory authority for this service.
 7. In cases where the termination is based on the failure to pay, the notice shall state if the bill is the actual or estimated, the amount owed, and the time period over which the amount was incurred.
- (b) Notwithstanding any other provisions of these rules, a utility shall postpone the physical termination of utility service to a residential customer for a period of thirty (30) days in the event a physician, public health officer or social service official certifies in writing that discontinuation of the service will aggravate an existing medical emergency of the customer or other permanent resident of the premises where service is rendered. During the thirty (30) day extension the customer or other permanent resident of the premises where service is rendered shall be referred to social service agencies for investigation, confirmation of need and guarantee of payment. The local utility shall supply customers with names of agencies providing assistance.
- (c) All customers shall be provided with the option of a Third Party Notification service and shall be notified annually by the utility of its availability. The Third Party Notification will provide any customer with the opportunity to designate a third party who will receive a duplicate of any termination notice.
- (3) Statement of Termination Policy. The utility shall provide a general policy statement detailing its termination policies to all existing customers annually and to all new customers when they initiate service. This policy statement shall be filed by the utility for approval by the Authority within sixty (60) days of the effective date of this rule. The general policy statement shall include the following information in clear and understandable language:
- (a) Grounds for termination.
 - (b) The time allowed to pay outstanding bills.
 - (c) Steps which must occur before service may be terminated for non-payment.
 - (d) Steps necessary to have service reinstated.
 - (e) Instructions for residential customers to designate the following:
 1. A third party (agency or individual) to receive a copy, by first class mail, of all termination notices;
 2. Presence of appliances at the service address which are critical for maintenance of health of one or more of the residents.

(Rule 1220-4-5-.18, continued)

- (f) A notice of rights and remedies which should contain the following:
1. The time allowed to initiate a complaint;
 2. Appropriate administrative or other action to take in order to avoid termination;
 3. Procedures to dispute and appeal the termination notice, including the office address and telephone number of the utility representatives available to handle inquiries or complaints;
 4. A statement that households which have appliances critical for health are responsible for notifying the utility of such fact;
 5. Provide information and steps necessary to qualify for alternative payment arrangements available to residential customers who maintain that they are temporarily unable to pay their bills;
 6. The name of a social service agency the customer can call to inquire about a source or sources of financial assistance in paying residential utility bills;
 7. Procedures to dispute and appeal an unfavorable decision of the utility, including the address and toll-free telephone number of the Tennessee Regulatory Authority and its representatives, who are available to handle complaints and inquiries; and
 8. A statement that a customer does not have to pay that portion of a bill which is in dispute while the dispute process is underway.

Authority: T.C.A. §§65-2-102, 65-4-104, and 65-4-106. **Administrative History:** Original rule certified May 9, 1974. Amendment filed November 14, 1983; effective March 2, 1984. Repeal and new rule filed February 7, 1985; effective May 14, 1985. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; “Commission” and references to the “Commission” were changed to “Authority” and references to the “Authority”; effective March 28, 2003.

1220-4-5-.19 INSUFFICIENT REASONS FOR DENYING SERVICE.

- (1) The following shall not constitute sufficient cause for refusal of service to a present or prospective customer.
- (a) Delinquency in payment for service by a previous occupant of the premises to be served.
 - (b) Failure to pay for merchandise purchased from the utility.
 - (c) Failure to pay for a different type or class of public utility service.
 - (d) Failure to pay the bill of another customer as guarantor thereof.
 - (e) Failure to pay a back bill rendered in accordance with Rule 1220-4-5-.17 (a).

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974.

(Rule 1220-4-5-.23, continued)

1220-4-5-.20 CUSTOMER COMPLAINTS.

- (1) Complaints concerning the charges, practices, facilities or service of the utility shall be investigated promptly and thoroughly. The utility shall keep such records of customer complaints as will enable it to review and analyze its procedures and actions. A report of incorrectly adjusted appliance shall be given prompt attention.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974.

1220-4-5-.21 REQUIREMENT FOR GOOD ENGINEERING PRACTICE.

- (1) The gas plant of the utility shall be constructed, installed, maintained and operated in accordance with accepted good engineering practice in the gas industry to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974.

1220-4-5-.22 ACCEPTABLE STANDARDS.

- (1) Unless otherwise specified by the Authority, the utility shall use the applicable provisions in the publications listed below as standards of accepted good practice.
 - (a) The current edition of the USA Standard Code for Gas Transmission and Distribution Piping Systems, USAS B31.8, 1968.
 - (b) The latest edition of the American Standard Installation of Gas Appliances and Gas Piping, USAS Z21.30, 1964.
 - (c) The current edition of the National Fire Protection Association, No. 58, "The Storage and Handling of Liquefied Petroleum Gases."
 - (d) Standard methods for testing pipeline displacement gas meters as indicated in the American Meter Co. Handbook.
 - (e) "Testing Large Capacity Rotary Gas Meters," Research Paper No.1741, National Bureau of Standards Journal of Research, September, 1946.
 - (f) "Standard Method of Test for Calorific Value of Gaseous Fuels by the Water-Flow Calorimeter," American Society for Testing Materials, Standard D 900-55.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; "Commission" and references to the "Commission" were changed to "Authority" and references to the "Authority"; effective March 28, 2003.

1220-4-5-.23 ACCEPTABLE REFERENCES.

- (1) The following publications have not been designated as standards but they may be used as guides to acceptable practice.
 - (a) "Accuracy of the Recording, Gas Calorimeter When Used With Gases of High BTU Content," by John H. Eiseman, National Bureau of Standards, and Elwin A. Potter, Gas Inspection No. CEP-55-13.

(Rule 1220-4-5-.23, continued)

- (b) “Orifice Metering of Natural Gas,” Report No. 3 of the AGA Gas Measurement Committee.
- (c) Reports prepared by the Practical Methods Committee of the Appalachian Gas Measurement Short Course, West Virginia University, as follows:
 - 1. Report No.1, “Methods of Testing Large Capacity Displacement Meters.”
 - 2. Report No.2, “Testing Orifice Meters.”
 - 3. Report No.3, “Designing and Installing Measuring and Regulating Stations.”
 - 4. Report No.4, “Useful Tables for Gas Men.”
 - 5. Report No.5, “Power Room Practices.”

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974.

1220-4-5-.24 ADEQUACY OF SUPPLY.

- (1) The production and/or storage capacity of the utility’s plant, supplemented by the gas supply regularly available from other sources, must be sufficiently large to meet all reasonably expectable demands for service.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974.

1220-4-5-.25 INSPECTION OF GAS PLANT.

- (1) Each utility shall operate and maintain its gas plant in conformance with Chapter 5 of the current edition of the USA Code for Gas Transmission and Distribution Piping Systems, USAS B-31.8.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974.

1220-4-5-.26 UTILITY INSPECTIONS AND TESTS.

- (1) Each utility shall make inspections and tests of meters and associated metering devices as follows:

- (a) Pre-installation Inspections and Tests

Every meter and/or associated metering devices shall be inspected, tested, and sealed before being placed in service, and the accuracy of each meter shall be within the tolerances permitted by Rule 1220-4-5-.27.

- (b) As Found Tests

All meters and/or associated metering devices shall be tested after they are removed from service. Such tests shall be made before the meters and/or associated metering devices are adjusted, repaired, or retired.

- (c) Leak Tests

Repaired meters, and meters that have been removed from service, shall be leak tested prior to installation. New meters shall be leak tested in accordance with a sampling method acceptable to the Authority. Each meter tested shall be subjected to an internal pressure of at least twenty (20) inches W.C. and checked for the presence of leaks by one of the following tests:

(Rule 1220-4-5-.26, continued)

1. Immersion test.
2. Soap test.
3. Pressure drop test of a type acceptable to the Authority.

(d) Request Tests

Upon request by a customer and accompanied by a payment of five dollars (\$5), the utility shall make a test of the meter serving him, provided that such tests need not be made more frequently than once in eighteen (18) months.

1. The customer, or his/her representative, may be present when his/her meter is tested.
2. A report of the results of the test shall be made to the customer within a reasonable time after the completion of the test, and a record of the report, together with a complete record of each test, shall be kept on file at the office of the utility.

(e) Periodic Tests

Unless otherwise authorized by the Authority each utility shall make periodic tests of meters, associated devices and instruments, to assure their accuracy. Such tests shall be scheduled within the calendar year, or earlier, when the interval shall not be longer than provided for in the following schedule where applicable. (Note: Maintenance programs suggested by manufacturers of the following meters and devices should be carefully followed.)

1. Positive displacement meters
 - (i) Up to 250 c.f. / hr.....10 years
 - (ii) 250 c.f. / hr.7 years
2. Orifice meters6 months
 - (i) Plates and Tubes2 years
3. Base pressure correcting devices 2 years
4. Base volume correcting devices2 years
5. Secondary standards
 - (i) Test bottles, one cubic foot10 years
 - (ii) Dead weight testers6 months– minimum
6. Working standards
 - (i) Bell provers.....3 years
 - (ii) Rotary displacement test meters5 years
 - (iii) Flow provers5 years

(Rule 1220-4-5-.26, continued)

- (iv) Laboratory quality indicating pressure gauges6 months
- (v) Temperature recorders6 months
- (vi) Gravimeters6 months

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; “Commission” and references to the “Commission” were changed to “Authority” and references to the “Authority”; effective March 28, 2003.

1220-4-5-.27 TEST PROCEDURES AND ACCURACIES.

- (1) Meters and/or associated metering devices shall be tested at the points and adjusted to the tolerances prescribed below. The test of any unit of metering equipment shall consist of a comparison of its accuracy with the accuracy of a standard. The Authority will use the applicable provisions of the standards listed in Rule 1220-4-5-.22 as criteria of accepted good practice in testing meters.

(a) Positive Displacement Meters

1. Accuracy at test points

Flow	Adjusted to within
Check flow.....	1.5%
Not less than full rated flow	1.5%

2. Overall accuracy

The accuracy at check flow and the accuracy at not less than full rated flow shall agree with one (1%) percent.

(b) Orifice Meters

Testing for all orifice meters shall be in accordance with procedures as set forth in the American Gas Association Committee Report No. 3. Accuracy at test points must be within two percent (2%), plus or minus.

(c) Timing Devices

All recording type meters or associated instruments which have a timing element that serves to record the time at which the measurement occurs must be adjusted so that the timing element is not in error by more than plus or minus four (4) minutes in twenty-four (24) hours.

(d) General

1. All meters and/or associated metering devices, when tested, shall be adjusted as closely as practicable to the condition of zero (0) error.
2. All tolerances are to be interpreted as maximum permissible variations from the condition of zero (0) error. In making adjustments no advantage of the prescribed tolerance limits shall be taken

(Rule 1220-4-5-.27, continued)

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; “Commission” and references to the “Commission” were changed to “Authority” and references to the “Authority”; effective March 28, 2003.

1220-4-5-.28 FACILITIES AND EQUIPMENT FOR METER TESTING.

- (1) Each utility shall maintain or have access to a meter shop for the purposes of inspecting, testing, and repairing meters. The shop shall be open for inspection by authorized representatives of the Authority at all reasonable times, and the facilities and equipment, as well as the methods of measurements and testing employed, shall be subject to the approval of the Authority.

- (a) The area within the meter shop used for the testing of meters shall be designed so that the meters and meter testing equipment are protected from drafts and excessive changes of temperature. The meters to be tested shall be stored in such manner that the temperature of the meters is substantially the same as the temperature of the prover.

- (b) Working Standards

Each utility shall own and maintain, or have access to, at least one (1) approved bell type prover of five (5) cubic foot capacity, and all other equipment necessary to test meters, which shall be installed in the meter room.

1. Means shall be provided to maintain the temperature of the liquid in the meter prover at substantially the same level as the ambient temperature in the prover room.
 2. The meter prover shall be maintained in good condition and correct adjustment so that it shall be capable of determining the accuracy of any service meter to within one-half of one percent (.5%).

Each utility having meters which are too large for testing on a five (5) cubic foot bell prover may use a properly designed flow prover for testing the large meters.

- (c) Working standards must be checked periodically (see Rule 1220-4-5-.26,(e)) by comparison with a secondary standard.
 1. Bell provers must be checked with a one (1) cubic foot bottle which has been calibrated by the National Bureau of Standards.
 2. Rotary displacement test meters must be checked with a bell prover of adequate capacity which has been calibrated by representatives of the National Bureau of Standards.
 - (d) Extreme care must be exercised in the use and handling of standards to assure that their accuracy is not disturbed.
 - (e) Each standard must be accompanied at all times by a certificate or calibration card, duly signed and dated, on which are recorded the corrections required to compensate for errors found at the customary test points at the time of the last previous test.
 - (f) Each utility must have properly calibrated orifices, as may be necessary, to achieve the rates of flow required to test the meters on its system.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; “Commission” and references to the “Commission” were changed to “Authority” and references to the “Authority”; effective March 28, 2003.

1220-4-5-.29 RECORDS OF METERS AND ASSOCIATED METERING DEVICES.

- (1) Each utility shall maintain records of the following data, where applicable, for each meter and/or associated metering device until retirement:
 - (a) The complete identification - manufacturer, number, type, capacity, multiplier, constants, and pressure rating.
 - (b) The dates of installation and removal from service, together with the location.

Authority: T.C.A. §65-2-102. Administrative History: Original rule certified May 9, 1974.

1220-4-5-.30 METER TEST RECORDS.

- (1) Each utility shall maintain records of at least the last two (2) tests made of any meter. The record of the meter test made at the time of the meter's retirement shall be maintained for a minimum of three (3) years. Test records shall include the following:
 - (a) the date and reason for the test;
 - (b) the reading of the meter before making any test;
 - (c) the accuracy "as found" at check and full rated flow;
 - (d) the accuracy "as left" at check and full rated flow;
 - (e) in the event test of the meter is made by using a standard meter or a flow prover, the utility shall retain all data taken at the time of the test in sufficiently complete form to permit the convenient checking of the test methods and the calculations.

Authority: T.C.A. §65-2-102. Administrative History: Original rule certified May 9, 1974.

1220-4-5-.31 PURITY REQUIREMENTS.

- (1) All gas supplied to customers shall be substantially free of impurities which may cause corrosion of mains or piping or from corrosive or harmful fumes when burned in a properly designed and adjusted burner.

Authority: T.C.A. §65-2-102. Administrative History: Original rule certified May 9, 1974.

1220-4-5-.32 PRESSURE LIMITS.

- (1) The maximum allowable operating pressure for a standard pressure distribution system shall not exceed a pressure which could cause the unsafe operation of any connected and properly adjusted low pressure gas burning equipment.

Authority: T.C.A. §65-2-102. Administrative History: Original rule certified May 9, 1974.

1220-4-5-.33 PRESSURE SURVEYS AND RECORDS.

- (1) Each utility shall make a sufficient number of pressure measurements on its mains so that it will have a substantially accurate knowledge of the pressures in the standard intermediate and/or high pressure systems in each district, division, or community served by its distribution mains. Every utility which operates its system at a single pressure shall have and operate a recording pressure gauge at all times.

(Rule 1220-4-5-.33, continued)

- (2) All pressure records obtained under Rule 1220-4-5-.33 shall be retained by the utility for at least two (2) years and shall be available for inspection by the Authority's representatives. Notations on each record shall indicate the following:
 - (a) The location where the pressure check was made.
 - (b) The time and date of the check.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; "Commission" and references to the "Commission" were changed to "Authority" and references to the "Authority"; effective March 28, 2003.

1220-4-5-.34 STANDARDS FOR PRESSURE MEASUREMENTS.

- (1) Secondary Standards.
 - (a) Each utility shall own or have access to a dead weight tester.
- (2) Working Standards.
 - (a) Each utility must have equipment for the proper testing of the indicating and recording pressure gauges used in determining the pressure on the utility's system. Working standards must be checked periodically (see Rule 1220-4-5-.26(e)(6)) by comparison with a secondary standard.
- (3) Extreme care must be exercised in the handling of standards to assure that their accuracy is not disturbed.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974.

1220-4-5-.35 HEATING VALUE.

- (1) Each utility billing its customers on a term basis, or distributing other than straight undiluted natural gas, or distributing from liquefied natural gas (LNG) shall have available a daily record of the BTU value of the gas being sold. Such values may be obtained either from a utility's own recording calorimeters or from the recording calorimeter of the transmission company which is the supplier.
- (2) All peak-sharing plants shall have installed recording equipment capable of measuring and recording the BTU of the mixed gas. This may be accomplished by either measuring the specific gravity or the BTU content directly of the mixed gas. These records shall be made available upon request.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974.

1220-4-5-.36 INTERRUPTIONS OF SERVICE.

- (1) Each utility shall make reasonable efforts to avoid interruptions of service but when interruptions occur, service shall be reestablished within the shortest time practicable, consistent with safety.
 - (a) Each utility shall keep records of interruptions of service on its distribution system and shall make an analysis of the records for the purpose of determining steps to be taken to prevent recurrence of such interruptions. Such records should include the following information concerning the interruptions:
 1. Cause.
 2. Date and time.

(Rule 1220-4-5-.36, continued)

3. Duration.

- (b) Planned interruptions shall be made at a time that will not cause unreasonable inconvenience to customers and shall be preceded by adequate notice to those who will be affected.
- (c) Each utility shall immediately notify the Authority by telephone or telegraph of any interruption to the service of a major portion of its distribution system.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; “Commission” and references to the “Commission” were changed to “Authority” and references to the “Authority”; effective March 28, 2003.

1220-4-5-.37 ACCEPTABLE STANDARDS.

- (1) As criteria of accepted good safety practice the Authority will use the applicable provisions of the standard listed in Rule 1220-4-5-.22.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; “Commission” and references to the “Commission” were changed to “Authority” and references to the “Authority”; effective March 28, 2003.

1220-4-5-.38 PROTECTIVE MEASURES.

- (1) Each utility shall exercise reasonable care to reduce the hazards to which its employees, its customers, and the general public may be subjected.
- (2) The utility shall give reasonable assistance to the Authority in the investigation of the cause of accidents and in the determination of suitable means of preventing accidents.
- (3) Each utility shall maintain a summary of all reportable accidents arising from its operations.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; “Commission” and references to the “Commission” were changed to “Authority” and references to the “Authority”; effective March 28, 2003.

1220-4-5-.39 SAFETY PROGRAM.

- (1) Each utility shall adopt and execute a safety program, fitted to the size and type of its operations. At a minimum, the safety program should:
 - (a) require employees to use suitable tools and equipment in order that they may perform their work in a safe manner;
 - (b) instruct employees in safe methods of performing their work;
 - (c) instruct employees, who in the course of their work are subject to the hazard of electrical shock, asphyxiation or drowning, in accepted methods of artificial respiration.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974.

1220-4-5-.40 CUSTOMER PIPING.

- (1) Each customer's piping system shall be tested for leaks before service is turned on.
 - (a) Pressure Test.
 1. If local authorities do not require a pressure test of a customer's piping, as set forth in American Standard Installation of Gas Appliances and Gas Piping, ASA Z21.30, 1964, the utility shall advise the customer that his/her plumber shall conduct the aforementioned test.
 - (b) Leakage Test.
 1. Before permitting the use of gas at any location, the piping system shall be tested for leakage by a method at least equal to that described in Section "Leakage Check After Gas Turn On," in the latest edition of the American Standard Installation of Gas Appliances and Gas Piping, ASA Z21.30.

Authority: T.C.A. §65-2-102. Administrative History: Original rule certified May 9, 1974.

1220-4-5-.41 GAS LEAKS.

- (1) A report of a gas leak inside a building shall be considered as an emergency requiring immediate attention.

Authority: T.C.A. §65-2-102. Administrative History: Original rule certified May 9, 1974.

1220-4-5-.42 ODORIZATION.

- (1) Any gas distributed to customers through gas mains or gas services or used for domestic purposes in compressor plants, which does not naturally possess a distinctive odor to the extent that its presence in the atmosphere is readily detectable at all gas concentrations of one-fifth of the lower explosive limit and above, shall have an odorant added to it to make it so detectable. Odorization is not necessary when it is adequately odorized by the supplier. Suitable tests must be made to determine whether the odor meets the aforementioned standards.

Authority: T.C.A. §65-2-102. Administrative History: Original rule certified May 9, 1974.

1220-4-5-.43 LICENSING OF WELDERS.

- (1) In the event that a welder fails to qualify in accordance with Paragraph 192.227 of the Federal Minimum Safety Standards for the Transportation of Natural and Other Gas by Pipeline, one additional examination will be allowed thirty (30) days after the failure.
- (2) If a welder fails the second examination, he/she must show evidence of successful additional training before being allowed another examination.

Authority: T.C.A. §65-2-102. Administrative History: Original rule certified May 9, 1974.

1220-4-5-.44 GAS LEAK CLASSIFICATION.

- (1) Introduction
 - (a) In the use of the grade classifications for leakage that follow, consideration must be given to the fact that the analysis of a leak is not an exact science, but rather a judgment decision. Some of the individual grade classifications do not have precise limits because of the variable nature of the factors involved.
 - (b) Grade classifications shall only be made by individuals who possess training, experience and knowledge gained through association with leakage work. The judgment of these individuals based upon information gained at the scene of the leak will form the basis for the classification.
 - (c) Percentages of gas-in-air are based on natural gas. Where liquefied petroleum, manufactured or other gases are involved, appropriate adjustment shall be made as may be required consistent with the lower explosive limit (L.E.L.) of such gas or mixture of gases.
- (2) Definitions
 - (a) Blowing Gas - A leak which can be heard, seen or felt.
 - (b) Building - Any structure which is normally or occasionally occupied by humans for business, residential or other purposes.
 - (c) Follow-up Inspection - An inspection performed after a repair procedure has been completed in order to determine the effectiveness of the repair.
 - (d) Manhole or Vault - A subsurface structure that a man can enter.
 - (e) Reading - Shall be construed to be the stabilized reading taken on a combustible gas indicator unit.
 - (f) Tunnel - A subsurface passageway of a size large enough for a man to enter.
- (3) Leak Repair Records. A leak repair ticket shall be used for the entire history of a leak through the "follow-up" inspection. The document shall contain information as to corrective action taken and follow-up results when such follow-up is deemed necessary by the operator. Leaks may only be reclassified by responsible and suitably experienced individuals whose identification shall appear on the ticket.
- (4) General Statement. Any leak or odor call from the general public, police, fire or other authorities, or notification of damage to facilities by contractors or other outside sources shall constitute the need for prompt action.
- (5) Grade Classification.
 - (a) Grade 1 Leak is a gas leak which due to its location and/or relative magnitude constitutes a potentially hazardous condition to the public or buildings. Grade 1 leaks include, but are not limited to:
 1. Any indication of gas entering buildings or tunnels.

(Rule 1220-4-5-.44, continued)

2. Any reading from a combustible gas indicator within five (5) feet of a foundation wall of a building which in the judgment of the operator is potentially dangerous.
 3. Any reading of at least four percent (4%) or greater gas-in-air on a sidewalk in a wall-to-wall paved area where the volume of the leak presents a potential hazard to persons or property.
 4. Blowing gas.
 5. A leak from a transmission line within Class 3 and 4 locations as specified in Part 192.5 of the OPS regulations.
 6. Four percent (4%) or greater gas-in-air reading in manholes, vaults, or catchbasins.
 7. Any leak which, in the judgment of the supervisor at the scene, is regarded as potentially hazardous.
- (b) Action Required:
1. It shall require corrective action which shall consist of immediate effort to protect life and property and continuous action until the condition is no longer hazardous and scheduled for immediate daily repair activity.
- (c) Grade 2 Leak shall be a leak that does not constitute an immediate hazardous condition to the public or buildings, but shall be of a nature requiring scheduled repair. Grade 2 leaks include, but are not limited to:
1. Transmission line leaks not classified as Grade 1 leaks.
 2. A leak on a valve or appurtenance which has migrated beyond the valve box which in the judgment of the operator requires scheduled repair.
 3. Reading between two percent (2%) and four percent (4%) gas-in-air on a sidewalk in a wall-to-wall paved area where the volume of the leak presents a potential hazard to persons or property.
 4. Any reading between two percent (2%) and four percent (4%) gas-in-air in a manhole, vault or catchbasin.
 5. Any Grade 3 leak which under frost conditions could migrate substantially.
 6. A high density of Grade 3 leaks in the street of a business or residential area.
- (d) Action Required:
1. Grade 2 leaks shall be scheduled for repair within twelve (12) months or shall be rechecked during the next annual survey. Rechecked Grade 2 leaks that have not deteriorated may be rescheduled for repair if they are not in a hazardous location and the repair would be difficult or expensive.
- (e) Grade 3 Leak is any other leak not classified as either a Grade 1 or Grade 2 leak.

(Rule 1220-4-5-.44, continued)

(f) Action Required:

1. Grade 3 leaks shall be re-evaluated at the next scheduled survey.

Authority: T.C.A. §65-2-102. **Administrative History:** Original rule certified May 9, 1974.

1220-4-5-.45 ADVERTISING.

- (1) A utility may not recover from any person other than their shareholders (or other owners) any direct or indirect expenditure for promotional or political advertising.
 - (a) The term “advertising” means the commercial use of any media, including newspaper, printed matter, radio, and television, in order to transmit a message to a substantial number of members of the public or to gas customers.
 - (b) The term “political advertising” means any advertising for the purpose of influencing public opinion with respect to legislative, administrative, or electoral matters, or with respect to any controversial issue of public importance.
 - (c) The term “promotional advertising” means any advertising for the purpose of encouraging any person to select or use gas service or additional gas service or the selection or installation of any appliance or equipment designed to use gas service.
 - (d) The terms “political advertising” and “promotional advertising” do not include:
 1. advertising which informs gas customers how they can conserve energy or can reduce peak demand for gas;
 2. advertising required by law or regulation, including advertising required under Part 1 of Title II of the National Energy Conservation Policy Act;
 3. advertising regarding service interruptions, safety measures or emergency conditions;
 4. advertising concerning employment opportunities;
 5. advertising which promotes the use of energy efficient appliances, equipment, services, or which informs customers that natural gas is cheaper and/or more efficient than other fuels; or
 6. any explanation or justification of existing or proposed rate schedules or notification of hearings thereon.

Authority: T.C.A. §§65-2-102, 65-4-104, and 65-4-106. **Administrative History:** Original rule filed November 14, 1983; effective March 2, 1984. Amendment filed February 7, 1985; effective May 14, 1985.

1220-4-5-.46 RESERVED.

1220-4-5-.47 ENFORCEMENT PROCEDURES GOVERNING GAS PIPELINE SAFETY.

- (1) Definitions – Terms used in these rules have the following meaning:
 - (a) Act means the Natural Gas Pipeline Safety Act of 1968, as amended (49 U.S.C. 1671 *et seq.*).
 - (b) Authority means the Tennessee Regulatory Authority.

(Rule 1220-4-5-.47, continued)

- (c) Gas means natural gas, petroleum gas, flammable gas, or gas which is toxic or corrosive.
 - (d) LNG means liquefied natural gas.
 - (e) Operator means a person who engages in the transportation of natural gas by pipeline.
 - (f) Person means any individual, firm, joint venture, partnership, corporation, association, Authority, utility district, municipality, cooperative association or joint-stock association, and included trustee, receiver, assignee or personal representative who furnishes service to the public thereof.
 - (g) Pipeline means all parts of those physical facilities through which gas or LNG moves in transportation including but not limited to pipe, valves and other appurtenances attached to pipe, compressor units, pumping units, metering stations, delivery stations, regulator stations, holders and fabricated assemblies.
 - (h) Pipeline Facility means, without limitation, new and existing pipe, pipe right-of-way and any equipment, facility or building used in the transportation of gas or the treatment of gas during the course of transportation.
 - (i) Pipeline Safety Director means the Chief of the Gas Pipeline Safety Division designated by the Authority.
 - (j) Transportation of Gas means the gathering, transmission or distribution of gas by pipeline or its storage.
- (2) Intervals of Inspection.
- (a) Upon presentation of appropriate credentials, the Authority or its designated employee is authorized to enter upon, inspect and examine, at reasonable times and in a reasonable manner, the records and properties of persons to the extent such records and properties are relevant to determining the compliance of such persons with the rules and regulations or Authority orders issued thereunder.
 - (b) Inspections shall ordinarily be conducted pursuant to one of the following:
 - 1. routine scheduling;
 - 2. a complaint received from a member of the public;
 - 3. information obtained from a previous inspection;
 - 4. pipeline accident or incident; or
 - 5. whenever deemed appropriate by the Authority or the Chief of Gas Pipeline Safety.
- (3) Inspection of the Operators.
- (a) An attempt will be made to periodically inspect every operator, with priority given to inspecting those systems with greater risk potential. In determining the potential risk of a pipeline system, the following factors may be considered:
 - 1. the ratio of total steel pipe to coated steel pipe;

(Rule 1220-4-5-.47, continued)

2. the ratio of total steel pipe to cathodically protected steel pipe;
 3. leaks per mile of pipe;
 4. leaks per number of services;
 5. unaccounted-for gas volumes and percentages;
 6. the number of accidents or facility failures;
 7. footage of cast iron pipe in the system; and
 8. past history of the operator.
- (b) The inspection will include a thorough review of the operator's records concerning inspection, operation, maintenance and emergency procedures. Field inspection will include operational checks of corrosion control provisions, over pressure and regulating equipment, odorization, repaired leaks, emergency valves and any other components of the facility.
- (4) Verbal Notice to Operator of Violation.
- (a) When an inspection of an operator's records or facilities, or both, indicates that the operator is in apparent violation of a pipeline safety regulation, the investigator will give verbal notice of the alleged violation to the operator before concluding the inspection.
 - (b) Any documentation of physical evidence necessary to support the alleged violation may be obtained during the inspection or requested by letter immediately after the conclusion of the visit.
 - (c) The operator may institute on-site corrective measures when a violation exists. However, enforcement of such alleged violations will proceed.
- (5) Written Formal Notice of Violation. After evidence of an alleged violation is collected and the violation report is written, notice and opportunity to respond will be afforded the operator by a letter from the Pipeline Safety Director. The letter will notify the operator of the results of the on-site inspection and will specifically cite the regulation(s) the operator is allegedly violating. Further, the letter may contain a proposed civil penalty or a compliance order. A written response from the operator shall be submitted to the Pipeline Safety Director within thirty (30) days of the time the operator receives the violation notice.
- (6) Response Options Open to the Operator.
- (a) Alternatives open to the operator to respond to the violation notice are:
 1. submit a written statement to the Pipeline Safety Director indicating corrective measures have achieved compliance;
 2. submit a written plan of action to the Pipeline Safety Director outlining the corrective measures that will be taken to achieve compliance and when compliance is anticipated;
or
 3. request an informal conference with the Pipeline Safety Director and/or his staff to discuss the violation(s).

(Rule 1220-4-5-.47, continued)

- (b) The alleged violation(s) may be resolved at this stage if the information submitted is in accordance with (a)1. or (a)2. and is accepted by the Pipeline Safety Director and/or his/her staff. Such acceptance shall be verified by written statement issued by the Pipeline Safety Director following a reinspection of the operator's facilities. However, if the operator selects (a)3., an informal conference will be scheduled as explained below:
- (7) Informal Conference.
 - (a) After receiving a request for an informal conference, a date and time will be arranged for this conference and the basis of the alleged violations will be reviewed. The operator may explain the company's position and may present alternatives for solution of the problem. The Gas Pipeline Safety Staff will be represented by the investigator involved and by such other members of the Authority Staff as designated by the Pipeline Safety Director.
 - (b) The violation may be resolved at this stage. If agreement cannot be reached, enforcement procedures shall continue.
- (8) Authority Action
 - (a) If the proposed solution as outlined is not satisfactory to the Gas Pipeline Director and/or his/her staff, the violation shall be referred to the Tennessee Regulatory Authority for formal resolution in either of the following manners:
 - 1. the Authority may seek an injunction or mandamus in superior court in cases where immediate action is necessary; or
 - 2. the Authority may issue a show cause order and/or schedule a hearing requiring the operator to demonstrate why the operator should not be subject to the penalties set forth by *T.C.A. §65-28-108*.
 - (b) Any civil penalty imposed by the Authority shall be based on:
 - 1. the appropriateness in relation to the size of the business of the person charged;
 - 2. the gravity of the violation;
 - 3. the good faith of the person charged in attempting to achieve compliance;
 - 4. history of prior violations; and
 - 5. other matters as justice may require.
 - (c) The Authority may, pursuant to hearing, order an operator to take corrective action. Failure to obey such an order can result in:
 - 1. action by the Authority against the operator in state court;
 - 2. action by the Authority against the operator in any federal district court having jurisdiction.
- (9) Hazardous Facility Order.
 - (a) Whenever the Authority or the Chief of Gas Pipeline Safety shall find a particular facility to present an imminent hazard to life or property, it shall be empowered to require the owner or operator of the facility to take immediate steps necessary to correct such hazards. Corrective

(Rule 1220-4-5-.47, continued)

action may include suspended or restricted use of the facility, physical inspection, testing, repair, replacement, or other action, as appropriate.

- (b) An opportunity shall be given for a hearing as soon as practicable after the issuance of any order hereunder, in accordance with the Administrative Procedures Act and, in no event later than ten (10) days after suspension of the use of a major facility.
- (c) The Chief of Pipeline Safety shall rescind or suspend a “hazardous facility order” whenever he determines that the facility is no longer hazardous to life or property. When appropriate, however, such a rescission or suspension may be accompanied by a notice of violation issued under the written formal Notice of Violation Procedures.

Authority: T.C.A. §65-28-106. **Administrative History:** Original rule filed September 24, 1991; effective December 29, 1991. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; “Commission” and references to the “Commission” were changed to “Authority” and references to the “Authority”; effective March 28, 2003.

1220-4-5-.48 GAS PIPELINE SAFETY STANDARDS.

- (1) The provisions of this rule shall apply to all gas public utilities as defined in T.C.A. §65-28-104.
- (2) The Tennessee Regulatory Authority hereby adopts the federal safety standards and regulations including all subsequent amendments thereto, for the transportation of natural and other gas by pipeline established pursuant to the Natural Gas Pipeline Safety Act of 1968, as amended (49 U.S.C. 1671, *et seq.*), and the Hazardous Liquid Pipeline Safety Act of 1979 as amended (49 U.S.C. 2001, *et seq.*), by the United States Department of Transportation and contained in Title 49 of the Code of Federal Regulations, Chapter 1, Subchapter D, Parts 191, 192, 193, 195 and 199. Provided, however, that subsection (b) of Section 192.455 of Title 49 C.F.R. Chapter 1, Subchapter D, shall not be adopted and incorporated by reference herein.
- (3) The present American National Standards Institute, Gas Transmission and Distribution Piping System (ANSI-B 31.8), shall be in addition to the standards and regulations required by the federal safety standards, insofar as this standard does not conflict with any of the provisions of 49 C.F.R. Part 192.

Authority: T.C.A. §§65-28-104, 65-28-105, and 65-28-106. **Administrative History:** Original rule filed May 31, 1991; effective August 21, 1991. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; “Commission” and references to the “Commission” were changed to “Authority” and references to the “Authority”; effective March 28, 2003.